

## **NORTH BEND CITY COUNCIL MINUTES**

**March 1, 2016**

Senior Center, 411 Main Ave. S., North Bend, Washington

### **CALL TO ORDER, ROLL CALL:**

Mayor Hearing called the regular meeting to order at 7:00 p.m.

**Councilmembers Present:** Gothelf, Kostanich, Loudenback, Pettersen, Rosen and Volken. Councilmember Elwood was excused.

Councilmember Loudenback **MOVED**, seconded by Councilmember Elwood, to pull AB16-026 – Motion Accepting Energy Services Proposal for Ameresco, Inc. from the main agenda. The motion **PASSED** 6-0.

### **CONSENT AGENDA:**

**Minutes** – Council Meeting of February 16, 2016

**Payroll – February 19, 2016 – 27430 through 27436**, in the amount of **\$144,454.01**

**Checks – March 1, 2016 – 62405 through 62469**, in the amount of **\$402,351.69**

**AB16-023** – Motion Rejecting All Proposals RE Tollgate Farm RFP

**AB16-024** – Motion Authorizing Collective Bargaining Agreement with Clerical/Technical Employees

Councilmember Gothelf **MOVED**, seconded by Councilmember Rosen to approve the consent agenda as presented. The motion **PASSED** 6-0.

### **CITIZENS COMMENTS:**

**Dave Olson**, 440 Main Ave S, provided an update on the planning effort for this year's Kiwanis fireworks sales. Additionally, he noted the organization would be sending twenty nine Key Club members to the 2016 District Convention which will be held March 18 – 20<sup>th</sup> in Seattle.

**Rob Wotton**, Umpqua Bank Manager, 146 W 2<sup>nd</sup> Street, extended an invitation to local government representatives and members of the business community to attend the second Affordable Housing Forum which will be held on March 30, 2016 from 2 to 6 p.m. at the Umpqua Community Room.

## **ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:**

### **AB16-025 – Appointment to Planning Commission**

**Audio: 6:50**

Mayor Hearing recommended the appointment of Mary Miller to Position No. 6 on the Planning Commission, term expiring May 18, 2018.

Councilmember Loudenback **MOVED**, seconded by Councilmember Pettersen to approve AB16-025, confirming the appointment of Mary Miller to Planning Commission Position No. 6, term expiring May 18, 2018. The motion **PASSED** 6-0.

### **Presentation – Parks Commission Report & 2016 Work Plan**

**Audio: 10:31**

Parks Commission Chair Yvonne Dalke presented the Commission's 2015 Summary Report and 2016 Tentative Work Program.

### **State of the City Address – Mayor Hearing**

**Audio: 14:12**

Mayor Hearing delivered the following State of the City of North Bend 2016 address:

“Ladies and Gentlemen of the Council, Citizens, Property Owners, Staff and Friends; it is my great honor to present to you the North Bend 2016 State of the City Address.

I am very happy to say we continue to move in a positive financial direction, building upon the momentum established during my three terms in office. In 2015 we experienced another year of growth in revenues which indicates that we may be seeing sustained recovery in the local economy. The City again was able to move forward with a comfortable 10% reserve on top of our general fund budget creating a safeguard against unexpected events in the coming years. I would also like to welcome our 3 new Council members and their first State of the City address which your colleagues consider cruel and unusual punishment. The staff and I look forward to working collaboratively with this new Council.

The City's accomplishments in the next year will be built upon the successes of the past. The acquisition of water rights and a significant investment last year of over \$1 million dollars in our Wastewater Treatment Plant will result in new development in our city. We issued 26 building permits for new homes in 2015, and are expecting increased building activity in 2016 as most projects move out of the planning phase of development. The City is currently processing applications for a total of over 700 new building lots and new homes plus the hotel so you can see that staff is extremely busy processing development activity.

In response to citizen comments, Council adopted code amendments last year to insure that our neighborhoods remain “highly livable” and development is consistent with

our mission of “preserving the rural character of our community”. New Bulk and Dimensional standards were created that increased our minimum lot sizes and require larger setbacks between properties. Council also added a new type of residential zone called Constrained Low Density Residential which will provide for larger estate sized lots of 2 houses per acre. We need to take time to insure that all of this new growth is consistent with the citizen and Council’s vision for North Bend. Thus, Council has recently adopted an Interim Regulation on Constrained Low Density Residential and a Moratorium on Cottage Residential zones. I applaud Council’s decision to “put the brakes on” to insure that we get this right as we only have one opportunity to do so and there is only a limited amount of developable land within our urban growth area. I look forward to our next mini retreat later this month to further discuss this important issue.

I am regularly asked about the status of the hotel. I can report that according to the owners, the building should go vertical in April or May, depending on the weather. It will be a huge benefit to the tourism of our city, to have a facility for overnight stay in our downtown, not to mention a place for visiting family members.

The citizens’ generous approval of the Transportation Benefit District has provided us with an ongoing revenue stream for transportation projects. However, this funding source is not enough to maintain our basic road infrastructure. Council approval last year of a pavement management study resulted in a rating study listing all streets and rights of way on a scale that will allow priority repair and reconstruction.

Council is currently working on a square footage business and occupation tax specifically allocated to asphalt overlay. This proposed tax will level the playing field between all our local businesses currently paying a B&O or sales tax to the City and those businesses engaged solely in warehousing. By adding this square footage B&O tax the Council will be more fairly distributing this tax burden among all businesses so all pay their fair share toward streets maintenance. This new source of B&O revenue, combined with other City funds, will provide capital project funding to improve our roads and sidewalks.

In 2016, we will be finalizing the design of the roundabout at Park Street and North Bend Way. We also will be applying for grant funds from Puget Sound Regional Council and other state and federal sources for this important project which will improve vehicular safety and mobility.

Some of the other projects you will see in 2016 are the Cedar Falls Way paved walkway, Bendigo Blvd Right Turn Lane, NW 14<sup>th</sup> St and the NE 12<sup>th</sup> St Reconstruction, to name a few. You will probably also see conceptual design work on the Nintendo Bypass and Setback Levee.

In 2015 the City Council held public hearings and then increased the Transportation Impact Fee in order to have the fee more closely reflect the real transportation cost associated with new home construction to achieve Council’s goal that

“growth pays for growth”. Due to the amount of new residential growth I previously described we anticipate receiving significant revenues in the next few years from these transportation impact fees that will assist the City in funding the numerous transportation projects that are needed. The City continues to hear from the citizens that they are frustrated by traffic. However, it is important to remind the community that unfortunately the Growth Management Act does not allow the City to collect these Transportation Impact Fees prior to building permit issuance. As a matter of fact recent state law changes require that we collect impact fees at occupancy. Thus, transportation improvements will almost always follow development. This is not because the City is not thoughtful or proactive but because if the City completes the transportation improvement prior to the development, then the developer will not be required to share the cost of the improvement and then the taxpayers are subsidizing private development and this is inconsistent with Council’s policy of “growth must pay for growth”.

The City, in partnership with Si View Metropolitan Park District, opened a new park at Tollgate Farm last year which included a children’s play area, trails, restrooms and parking. This park has been a huge success and has allowed our citizens to enjoy the pristine beauty of Tollgate Farm with its spectacular views of Mt Si. This successful partnership has led the City to enter into another agreement with Si View. This agreement will transfer maintenance of Torguson Park to Si View and after 5 years this partnership may become a co ownership of the park. We are already seeing some great work by Si View at Torguson Park and believe this partnership will further benefit the citizens of North Bend. Finally, Si View has successfully applied for grants to improve the Tollgate Farmhouse and later this year we expect to brief Council on an agreement between the City and Si View to turn over management of the Tollgate Farmhouse to Si View to allow the District to improve the Farmhouse and program it so it can be used by the citizens for park and recreation activities. In addition, the City in partnership with the Snoqualmie Valley Little League will finalize design of improvements at Torguson Park to include new restrooms and a concession stand. Finally, the City is making some upgrades to our beloved EJ Roberts Park by replacing the pedestrian bridge and adding a new picnic shelter which should be completed soon.

This year, the City continues to have challenges with our Wastewater Treatment Plant but Council allocated the funds to determine the appropriate course of action for the future of North Bend. Council approved retaining a consultant to study our Comprehensive Sewer Plan, Capital Facilities Plan and Rate Study. Council will be receiving a report shortly which will allow you to determine whether or not we invest significant capital to rebuild our existing plant or alternatively consider a regional partnership for the delivery of sewer services to our residents. Regardless of the solution, an increase in sewer rates will be necessary to upgrade our plant which was constructed in the 1950s and hasn’t had significant upgrades since before 2000. However, the City will insure that any costs associated with providing capacity for growth will be paid for by developers and not our citizens, which is consistent with Council’s policy of growth paying for growth.

We have over two years of experience with our new police department and we can say unequivocally that the decision to contract with Snoqualmie was a good one. I want to refresh your memory that our number one priority is public safety. The City Administrator and I were frequently inundated by citizen calls regarding criminal transient camps, hypodermic needles and drug paraphernalia in parks and other transient concerns. We have experienced a marked reduction in complaints regarding the criminal transient population. The one year citizen satisfaction survey showed a marked increase in citizen satisfaction with police services and citizens told us they generally were feeling safer since the switch. Certainly the 4 minutes response time is likely to have something to do with this positive response.

The City continues to expand communications within the community. Our new website continues to contain a host of offerings including video access to Council meetings and an increased social media presence. Our goal is to be a transparent government; we want to be successful in communicating with our citizens. The North Bend Webcam is a favorite link accessed from the City's website. This Webcam displays a live view of the City, laid out on the valley floor with Mount Si and the Cascades as a backdrop as viewed from Rattlesnake Ridge, so be sure to check it out!

On the tourism and economic development front, City Staff has coordinated an amazing array of events over the past several years and 2016 will not be disappointing. Upcoming events include the North Bend Jazz Walk on April 23rd, the North Bend Farmers Market and Summer Concert Series beginning in June, the annual Downtown Block Party on July 16<sup>th</sup> with a car show on July 17th, the Festival at Mt Si held the second weekend of August, and the North Bend Blues Walk will be held in September and the North Bend Mountain Film Festival which runs October through December, culminating with the Holiday Tree Lighting Festival. Details about these events are available by visiting the Community Calendar on the City website.

We continue discussions about the benefits of downtown revitalization and the need for a new City Hall. Hopefully Council will be refining its vision for a City Hall in 2016.

As you can see, the staff is hard at work and the city is growing. We had a really good 2015 and I look forward to continued positive growth in 2016. Thank you, Citizens, once again, for trusting us to be good stewards of your money. This will be a time when our challenges should bring out the best in all of us and prove even more that North Bend is a City "Easy to reach, but Hard to Leave".

#### **MAYOR, COUNCIL, AND ADMINISTRATOR CONCERNS AND INITIATIVES:**

Councilmember Gothelf extended birthday wishes to his wife and commented how much he appreciated her support which allows him to serve the citizens of North Bend.

Councilmember Kostanich mentioned he was attending the River Runs Through It Workshop Series being held by the Snoqualmie Valley United organization. He noted he would be providing additional updates in the future regarding the group's effort to connect farms, forest, heritage and communities in the Snoqualmie Valley.

Councilmember Pettersen thanked Parks Commissioner Dalke and other Parks Commission members for all of their hard work on behalf of the City.

Councilmember Loudenback echoed Councilmember Pettersen's comments regarding the Parks Commission and other volunteer Commissions.

City Administrator Lindell mentioned the March 3<sup>rd</sup> Management Team Retreat and thanked the Parks Commissioners for all of their hard work on behalf of the City.

Mayor Hearing spoke regarding the following items:

- Yard Waste Recycling Program @ Public Works – select Saturdays, 8 a.m. – Noon

**ADJOURNMENT:**

Councilmember Gothelf **MOVED** to adjourn, seconded by Councilmember Pettersen. The motion **PASSED** 6-0.

The meeting adjourned at 7:35 p.m.

ATTEST:

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Kenneth G. Hearing, Mayor

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Susie Oppedal, City Clerk